Sunshine Act Meetings

Federal Register
Vol. 49, No. 196
Tuesday, October 9, 1984

This section of the FEDERAL REGISTER contains notices of meetings published under the "Government in the Sunshine Act" (Pub. L. 94-409) 5 U.S.C. 552b(e)(3).

CONTENTS

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FEDERAL HOME LOAN BANK BOARD.

TIME AND DATE: See Time and Date below.

PLACE: In the Board Room, 6th Floor, 1700 G St., NW., Washington, D.C.

STATUS: Open meeting.

CONTACT PERSON FOR MORE INFORMATION: Mr. Gravlee, (202-377-6677).

MATTERS TO BE CONSIDERED:

Monday, October 15, 1984 at 10:00 A.M.

Earnings Based Deposits
Inclusion of Subordinated Debt as Regulatory Net Worth
Policies Relating to Insurance of Accounts of *De Novo* Institutions

Friday, October 19, 1984 at 2:30 A.M.

Clarification of Assets Qualifying for the Deferral and Amortization of Gains and Losses
Accounting for Certain Real Estate Lending Activities

J.J. Finn,
Secretary.
October 4, 1984.

[FR Doc. 84-26673 Filed 10-4-84; 10:23 am]

BILLING CODE 6720-01-M

2

FEDERAL RESERVE SYSTEM.

TIME AND DATE: 11:00 a.m., Tuesday, October 9, 1984.

The business of the Board requires that this meeting be held with less than one week's advance notice to the public, and no earlier announcement of the meeting was practicable.

PLACE: 20th Street and Constitution Avenue, NW., Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.

2. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION: Mr. Joseph R. Coyne, Assistant to the Board; (202) 452-3204.

Dated: October 3, 1984.

James McAfee,
Associate Secretary of the Board.

[FR Doc. 84-26661 Filed 10-3-84; 4:54 pm]

BILLING CODE 6210-01-M

3

POSTAL SERVICE

Vote to Close Meeting

At its meeting on October 2, 1984, the Board of Governors of the United States Postal Service unanimously voted to close to public observation its meeting, scheduled for November 13, 1984, in Washington, D.C. The meeting will involve: (1) Discussion of personnel matters; (2) a continuation of the discussion of strategies and positions in connection with possible continued collective bargaining negotiations, pursuant to chapter 12 of title 39 United States Code, involving parties to the 1981 National Agreements, between the Postal Service and four labor organizations representing certain postal employees, which expired in July 1984; and (3) further consideration of the Postal Rate Commission's September 7, 1984, Recommended Decision in Docket No. R84-1, the omnibus rate case.

The meeting is expected to be attended by the following persons: Governors Babcock, Camp, McKean, Peters, Ryan, Sullivan, and Voss; Postmaster General Bolger; Deputy Postmaster General Finch; Secretary of the Board Harris; General Counsel Cox; Senior Assistant Postmasters General Coughlin and Morris; and Counsel to the Governors Califano.

As to the first agenda item, the Board determined that pursuant to section 552b(c)(6) of title 5, United States Code, and § 7.3(f) of Title 39 Code of Federal Regulations, the discussion of this matter is exempt from the open meeting requirement of the Government in the Sunshine Act (5 U.S.C. 552b) because it is likely to disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy. The Board also determined that the public interest did not require that the Board's discussion of this matter be open to the public.

As to the second of these agenda items, the Board is of the opinion that public access to any discussion of possible strategies that Postal Service management may decide to adopt, or the positions it may decide to assert, would be likely to frustrate action to carry out those strategies or assert those positions successfully. In making this determination, the Board is aware that the effectiveness of the collective bargaining process in labor-management relations has traditionally depended on the ability of the parties to prepare strategies and formulate positions without prematurely disclosing them to the opposite party. The public has a particular interest in the integrity of this process as it relates to the Postal Service, since the outcome of the negotiations between the Postal Service and the various postal unions, and consequently the cost, quality and efficiency of postal operations, may be adversely affected if the process is altered.

Accordingly, the Board of Governors has determined that, pursuant to section 552b(c)(3) of title 5, United States Code, and § 7.3(c) of Title 39, Code of Federal Regulations, this portion of the meeting is exempt from the opening meeting requirement of the Government in the Sunshine Act (5 U.S.C. 553b(b)), because it is likely to disclose information prepared for use in connection with the negotiation of collective bargaining agreements under chapter 12 of title 39, United States Code, which is specifically exempted from disclosure by section 410(c)(3) of title 39, United States Code. The Board has determined further that, pursuant to section 552b(c)(9)(B) of title 5, United States Code, and § 7.3(i) of Title 39, Code of Federal Regulations, the discussion is exempt because it is likely to disclose information the premature disclosure of which is likely to frustrate significantly proposed Postal Service action. Finally, the Board of Governors has determined that the public has an interest in maintaining the integrity of the collective bargaining process and that the public interest does not require that the Board's discussion of its possible collective bargaining strategies and positions be open to the public.

As to the third agenda item, the Board is of the opinion that public access to the discussions would be likely to disclose information that will become involved in future rate or classification litigation.

Accordingly, the Board of Governors has determined that, pursuant to section 552b(c)(3) of title 5, United States Code, and § 7.3 (c) of Title 39, Code of Federal Regulations, this portion of the meeting is exempt from the open meeting requirements of the Government in the Sunshine Act, because it is likely to disclose information in connection with proceedings under chapter 36 of title 39 (having to do with postal ratemaking, mail classification and changes in postal services), which is specifically exempted from disclosure by section 410(c)(4) of title 39, United States Code. The Board has determined further, that pursuant to section 552b(c)(10) of title 5, United States Code, and § 7.3(j) of Title 39, Code of Federal Regulations, the discussion is exempt because it is likely to specifically concern the participation of the Postal Service in a civil action or proceeding or the litigation of a particular case involving a determination on the record after opportunity for a hearing. The Board further determined that the public interest does not require that the Board's discussion of the matter by open to the public.

In accordance with section 552b(f)(1) of title 5, United States Code, and § 7.6(a) of Title 39, Code of Federal Regulations, the General Counsel of the United States Postal Service has certified that in his opinion the meeting to be closed may properly be closed to public observation, pursuant to sections 552b(c)(3), (6), (9)(B) and (10) of title 5 and sections 410(c)(3) and (4) of title 39, United States Code, and §§ 7.3(c), (f), (i) and (j) of Title 39, Code of Federal Regulations.

David F. Harris,

Secretary.

[FR Doc. 84-26725 Filed 10-4-84; 1:49 pm]

BILLING CODE 7710-12-M

Tuesday
October 9, 1984

Part II

Department of Commerce

Economic Development Administration

Economic Development Assistance Programs as Described in Conference Report 98-952, Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations, 1985; Availability of Funds; Notice

DEPARTMENT OF COMMERCE

Economic Development Administration

Economic Development Assistance Programs as Described in Conference Report 98-952, Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations, 1985; Availability of Funds

AGENCY: Economic Development Administration (EDA), Commerce.

ACTION: Notice.

SUMMARY:

I. Program: Planning Assistance for Economic Development Districts, Redevelopment Areas and Indian Tribes

(Catalog of Federal Domestic Assistance: 11.302 Economic Development—Support for Planning Organizations)

Summary: The Economic Development Administration announces its policies and application procedures for funds available to defray administrative expenses in support of the economic development planning efforts of Economic Development Districts (Districts), Redevelopment Areas (Areas) and Indian Tribes under the authority of section 301(b) of the Public Works and Economic Development Act of 1965, as amended (PWEDA), 42 U.S.C. 3151(b).

Eligibility: Eligible applicants are Districts, Redevelopment Areas, organizations representing Redevelopment Areas (or parts of such Areas) and Indian Tribes.

Project Objective: The primary objective of planning assistance for administrative expenses under section 301(b) is to support the formulation and implementation of economic development programs designed to create or retain full-time permanent jobs and income, particularly for the unemployed and underemployed in the most distressed areas served by the applicant. Planning activities conducted under this assistance must be part of a continuous process involving public officials and private citizens.

Funding Availability: Funds in the amount of $19 million are available in two categories: Districts and Areas (Category A)—$16 million; and Indian Tribes (Category B)—$3 million.

Funding Instrument: Grant assistance will be provided for up to 75 percent of project costs for Category A grants. Under Category A, the applicant will be required to provide the matching share. Category B grant assistance will be provided for up to 100 percent of project costs.

Project Duration: Both Category A and Category B assistance will be for a period of up to twelve months.

Selection Criteria: Priority consideration will be given to currently funded grantees with proposals which are eligible under section 301(b) of PWEDA, 42 U.S.C. 3151(b) and who meet the selection criteria. Funds which remain will be utilized to fund new proposals from othe eligible applicants under both Categories A and B. EDA will consider the following factors in evaluating proposals:

1. The responsiveness of the proposed work program to the program regulations contained in 13 CFR 307.22;
2. The economic distress of the area served by the applicant;
3. For currently funded grantees, past performance (including information in scheduled progress reports).

Pre-Application Procedures: Currently funded grantees and other eligible applicants under both Categories A and B should begin the application process by submitting a proposal which should include:

1. A letter signed by the chief elected official (Chairman of the Board, Tribal Chairman) or another authorized official of the District, area or Indian Tribe stating their desire to receive funds to carry out the types of planning and administrative activities eligible under the 301(b) program; and
2. A work program outlining the specific economic development planning activities that will be carried out during the grant period.

Currently funded grantees should submit proposals to the appropriate EDA Regional Office no later than November 15, 1984. New applicants should submit their proposals to the appropriate EDA Regional Office no later than March 31, 1985. Proposals postmarked after these dates may not receive consideration.

Formal Application Procedures: EDA will evaluate proposals using the selection criteria mentioned above, before authorizing the submission of a formal application. Following a review of proposals, EDA will invite proponents whose proposals are selected for funding consideration to submit a formal application, which may include an ED-430 Planning Grant Application, an ED-503 Assurance of Civil Rights Compliance, and other required application materials.

Applicants whose proposals are not selected shall be notified within 90 days of their respective submission deadlines.

EDA will evaluate applications for conformance with published statutory, regulatory and policy requirements. Except in cases where work program changes or other factors dictate a different approach, EDA expects to offer grant amendments to currently funded grantees selected for assistance.

Applications proposed for funding under this program are subject to the requirements of Executive Order 12372, "Intergovernmental Review of Federal Programs."

An applicant which has an outstanding accounts receivable with the Federal government may not receive new awards until it has paid its debt(s) or has made arrangements approved by the Department of Commerce to do so.

When all of EDA's funds for this program have been awarded, unsuccessful applicants will be notified of the status of their applications as soon as possible.

Further Information: For further information contact the appropriate EDA Regional Office (see list below) or William A. Willis, (202) 377-3027, Office of Planning, Technical Assistance, Research and Evaluation, Economic Development Administration, Room 7866, U.S. Department of Commerce, Washington, D.C. 20230.

II. Program: Planning Assistance for Urban Areas

(Catalog of Federal Domestic Assistance: 11.305 Economic Development—State and Local Economic Development Planning)

Summary: The Economic Development Administration announces its policies and application procedures for funds available for the Urban Planning Program operated under the authority of section 302(a) of the Public Works and Economic Development Act of 1965, as amended, (PWEDA), 42 U.S.C. 3151a.

Eligibility: Eligible applicants under this program are cities and urban counties.

Project Objective: The primary objective of planning assistance under section 302(a) is to strengthen the economic development planning and policy-making capabilities of cities and urban counties to ensure a more effective use of available resources in addressing economic problems, particularly those resulting in high unemployment and low incomes. Planning activities conducted under this assistance must be part of a continuous process involving public officials and private citizens.

Funding Availability: Funds in the amount of $5 million are available for providing grant assistance under this program.

Funding Instrument: Grant assistance will be provided for up to 75 percent of project costs. Applicants will be required to provide the matching share.

Project Duration: Assistance under this program will be for a period of up to twelve months.

Selection Criteria: Priority consideration will be given to currently funded grantees as well as cities and counties with populations of 50,000 or more with proposals which are eligible under section 302(a) of PWEDA, 42 U.S.C. 3151a and who meet the selection criteria. Funds which remain will be utilized to fund new proposals from other eligible applicants. EDA will consider the following factors in evaluating proposals:

1. The responsiveness of the proposed work program to the program regulations contained in 13 CFR 307.52(a)(2);

2. The economic distress of the area served by the applicant;

3. For currently funded grantees, past performance (including information in scheduled progress reports).

Pre-Application Procedures: Currently funded grantees and other eligible applicants should begin the application process by submitting a proposal which should include:

1. A letter signed by the head of the applicant organization or another authorized official stating their desire to receive funds to carry out the types of planning activities eligible under the 302(a) program; and

2. A work program outlining the specific economic development planning activities that will be carried out during the grant period.

Proposals should be submitted to Beverly L. Milkman, Director, Office of Planning, Technical Assistance, Research and Evaluation, Economic Development Administration, Room 7866, U.S. Department of Commerce, Washington, D.C. 20230.

Currently funded grantees whose grants expire on December 31, 1984, should submit proposals no later than November 15, 1984. Those grantees whose programs expire on March 31, 1985, should submit proposals no later than February 15, 1985. New applicants should submit their proposals no later than February 28, 1985. Proposals postmarked after these dates may not receive consideration.

Formal Application Procedures: EDA will evaluate proposals using the selection criteria mentioned above, before authorizing the submission of a formal application. Following a review of proposals, EDA will invite proponents whose proposals are selected for funding consideration to submit a formal application, which may include an ED-430 Planning Grant Application, an ED-503 Assurance of Civil Rights Compliance, and other required application materials.

Applicants whose proposals are not selected shall be notified within 90 days of their respective submission deadlines.

EDA will evaluate applications for conformance with published statutory, regulatory and policy requirements. Except in cases where work program changes or other factors dictate a different approach, EDA expects to offer grant amendments to currently funded grantees selected for assistance.

Applications proposed for funding under this program are subject to the requirements of Executive Order 12372, "Intergovernmental Review of Federal Programs."

An applicant which has an outstanding accounts receivable with the Federal government may not receive new awards until it has paid its debt(s) or has made arrangements approved by the Department of Commerce to do so.

When all of EDA's funds for this program have been awarded, unsuccessful applicants will be notified of the status of their applications as soon as possible.

Further Information: For further information contact William A. Willis, (202) 377-3027 at EDA Headquarters in Washington, D.C.

III. Program: Planning Assistance for States

(Catalog of Federal Domestic Assistance: 11.305 Economic Development—State and Local Economic Development Planning)

Summary: The Economic Development Administration announces its policies and application procedures for funds available for the State Planning Program operated under the authority of section 302(a) of the Public Works and Economic Development Act of 1965, as amended, (PWEDA), 42 U.S.C. 3151a.

Eligibility: Eligible applicants under this program are States and territories.

Project Objective: The primary objective of planning assistance under section 302(a) is to strengthen the economic development planning capabilities of States and other eligible entities to ensure a more effective use of available resources in addressing economic problems, particularly those resulting in high unemployment and low incomes. Planning conducted under this assistance must be part of a continuous process involving public officials and private citizens.

Funding Availability: Funds in the amount of $3 million are available for this program.

Funding Instrument: Grant assistance will be provided for up to 75 percent of project costs. Applicants will be required to provide the matching share.

Project Duration: Assistance under this program will be for a period of up to twelve months.

Selection Criteria: EDA will consider the following factors in evaluating proposals:

1. The responsiveness of the proposed work program to the program regulations contained in 13 CFR 307.52(a)(1);

2. The economic distress of the area served by the applicant;

3. For currently funded grantees, past performance (including information in scheduled progress reports).

Pre-Application Procedures: Currently funded grantees and other eligible applicants should begin the application process by submitting a proposal which should include:

1. A letter signed by the head of the applicant organization or another authorizes official stating their desire to receive funds to carry out the types of planning activities eligible under the 302(a) program; and

2. A work program outlining the specific economic development planning activities that will be carried out during the grant period.

Proposals should be submitted to Beverly L. Milkman, Director, Office of Planning, Technical Assistance, Research and Evaluation, Economic Development Administration, Room 7866, U.S. Department of Commerce, Washington, D.C. 20230.

Currently funded grantees whose grants expire on December 31, 1984, should submit proposals no later than November 15, 1984. Those grantees whose programs expire on March 31, 1985, should submit proposals no later than February 15, 1985. New applicants should submit their proposals no later than February 28, 1985. Proposals postmarked after these dates may not receive consideration.

Formal Application Procedures: EDA will evaluate proposals using the selection criteria metioned above, before authorizing the submission of a formal application. Following a review of proposals, EDA will invite proponents whose proposals are selected for funding consideration to submit a formal application, which may include an ED-430 Planning Grant Application, an ED-503 Assurance of Civil Rights Compliance, and other required application materials.

Applicants whose proposals are not selected shall be notified within 90 days of their respective submission deadlines.

EDA will evaluate applications for conformance with published statutory, regulatory and policy requirements. Except in cases where work program changes or other factors dictate a different approach, EDA expects to offer grant amendments to currently funded grantees selected for assistance.

Applications proposed for funding under this program are subject to the requirements of Executive Order 12372, "Intergovernmental Review of Federal Programs."

An application which has an outstanding accounts receivable with the Federal government may not receive new awards until it has paid its debt(s) or has made arrangements approved by the Department of Commerce to do so.

When all of EDA's funds for this program have been awarded, unsuccessful applicants will be notified of the status of their applications as soon as possible.

Further Information: For further information contact William A. Willis (202) 377-3027 at EDA Headquarters in Washington, D.C.

IV Program: Technical Assistance for University Centers

(Catalog of Federal Domestic Assistance: 11.303 Economic Development—Technical Assistance)

Summary: The Economic Development Administration announces its policies and application procedures for funds available to support University Centers under the authority of section 301(a) of the Public Works and Economic Development Act of 1965, as amended (PWEDA), 42 U.S.C. 3151(a). University Centers, utilizing external resources and those of the college or university of which they are an integral element, provide technical and other kinds of assistance to public bodies, non-profit organizations and private firms located chiefly in areas of economic distress.

Eligibility: Eligible applicants under this program are public and private colleges and universities.

Program Objective: To stimulate colleges and universities to mobilize more fully their resources to overcome problems which impede economic development in the area or region they serve.

Funding Availability: Funds in the amount of $4 million are available for this program.

Funding Instrument: EDA will provide grants and cooperative agreements with maximum EDA participation up to 75 percent of the proposed project cost. Applicants will be required to provide the matching share.

Project Duration: Assistance under this program may be for a period of up to twelve months.

Selection Criteria: Priority consideration will be given to the refunding of those 40 Centers which presently make up the University Center program and who meet the selection criteria. Funds which remain will be utilized to fund new Centers who meet the selection criteria. EDA will consider the following factors in evaluating proposals:

1. The nature and degree of distress in the area or region the Center will serve.
2. The program which the Center proposes to carry out to meet the needs of the service area, its relationship to activities of other organizations engaged in economic and business development, and its furtherance of the goals of the college or university.
3. The commitment of the University to the Center's mission and purpose in terms of both its financial support and the dedication of other resources.
4. The Center's capacity to provide technical and other types of assistance to jurisdictions and organizations in the service area.
5. Relationship to and support which Center will provide for local, regional or state economic development strategies.
6. Relationship to EDA Regional Office Strategies, and to Department of Commerce objectives in so far as they are not inconsistent with the developmental needs of the area to be served.
7. Absence of another EDA-funded Center in the State.

Pre-Application Procedures

A. *Letters of Interest:* Interested colleges and universities not presently in the program should indicate that they seek support by submitting a letter signed by the institution's President or another authorized official to the appropriate EDA Regional Office stating that they wish to participate in EDA's University Center program. The letter should identify the area their Center will serve and the degree and kind of economic distress it suffers; the relationship of the program to State, regional or local economic development strategies, as appropriate; and the kinds of activity to be undertaken with EDA funds.

The letters of interest by new applicant colleges and universities should be submitted to the appropriate EDA Regional Office no later than January 31, 1985. Letters postmarked after this date may not be considered.

B. *Proposals:* Interested colleges and universities presently in the program and new applicant colleges and universities selected by EDA for consideration of inclusion of their university or college in the program, will be invited to submit a proposal. The Regional Office will provide a proposal package to these applicants.

New applicant colleges and universities will be advised no later than April 30, 1985, whether they are to submit a proposal.

Formal Application Procedures: EDA will evaluate proposals using the selection criteria mentioned above, before authorizing the submission of a formal application. Following a review of project proposals, EDA will invite proponents whose projects are selected for funding consideration to submit a formal application.

EDA will evaluate applications for conformance with published statutory, regulatory and policy requirements.

An applicant which has an outstanding accounts receivable with the Federal government may not receive new awards until it has paid its debt(s) or has made arrangements approved by the Department of Commerce to do so.

When all of EDA's funds for this program have been awarded, unsuccessful applicants will be notified of the status of their applications as soon as possible.

Further Information: For further information contact the appropriate EDA Regional Office (see list below) or Scott Rutherford at (202) 377-2812, Office of Planning, Technical Assistance, Research and Evaluation, Economic Development Administration, Room 7866, U.S. Department of Commerce, Washington, D.C. 20230.

V. Program: Local Technical Assistance Projects

(Catalog of Federal Domestic Assistance: 11.303 Economic Development—Technical Assistance)

Summary: The Economic Development Administration announces its policies and application procedures for funds available to provide technical assistance as may be required to ensure the successful implementation of area and State economic development programs and projects designed to aid areas experiencing economic distress. Funding will be provided under the authority of section 301(a) of the Public Works and Economic Development Act of 1965, as amended (PWEDA), 42 U.S.C. 3151(a).

Eligibility: Eligible applicants under this program include: public or private non-profit State, area, district, or local organizations, private individuals, partnerships, firms, corporations, and other suitable institutions (including

Indian tribes, cities, State agencies and educational institutions).

Project Objective: The objective of section 301(a) local technical assistance grants and cooperative agreements is to provide help that will be useful in alleviating or preventing conditions of excessive unemployment or underemployment in individual States or sub-State areas.

Funding Availability: Funds in the amount of $1.5 million are available for the Local Technical Assistance Program.

Funding Instrument: EDA will provide grants and cooperative agreements with maximum EDA participation up to 75 percent of the proposed project cost. Applicants will be required to provide the matching share.

Project Duration: Assistance will be for the period of time required to complete the scope of work. This will generally not exceed twelve months.

Selection Criteria: Priority will be given to projects which are eligible under section 301a of PWEDA, 42 U.S.C. 3151a, if such projects:

1. Lead to the near-term creation and retention of private sector jobs;

2. Stimulate significant private and non-Federal public capital formation and investment for economic development purposes;

3. Are consistent with the EDA approved overall economic development program (OEDP) for the area in which it is, or will be, located, and have been recommended by the OEDP Committee;

4. Combine support for the following Department of Commerce goals with the accomplishment of economic development objectives: export promotion, productivity enhancement, technology development and utilization, and minority business development;

5. Further the objectives of EDA Regional Office Strategies. (Information on Regional Office Strategies must be obtained from the appropriate Regional Office.)

Projects will also be evaluated on the quality of the proposed work program and the qualifications of the applicant to carry out that work program.

Pre-Application Procedures: Interested applicants should contact the Economic Development Representative for the area or the appropriate EDA Regional Office for a proposal package. The EDA Regional Office can furnish the name, address and telephone number of the Economic Development Representative for the applicant's area.

Proposals should be submitted to the appropriate EDA Regional Office as early in the fiscal year as possible, but not later than February 28, 1985. Proposals postmarked after that date may not receive priority consideration.

Formal Application Procedures: EDA will evaluate proposals using the selection criteria mentioned above, before authorizing the submission of a formal application. Following a review of project proposals, EDA will invite proponents whose projects are selected for funding consideration to submit a formal application.

Applicants whose proposals are not selected will be notified within 90 days of the February 28 submission deadline.

EDA will evaluate applications for conformance with published statutory, regulatory and policy requirements.

Applications proposed for funding under this program are subject to the requirements of Executive Order 12372, "Intergovernmental Review of Federal Programs."

An applicant which has an outstanding accounts receivable with the Federal government may not receive new awards until it has paid its debt(s) or has made arrangements approved by the Department of Commerce to do so.

When all of EDA's funds for this program have been awarded, unsuccessful applicants will be notified of the status of their applications as soon as possible.

Further Information: For further information contact the appropriate EDA Regional Office (see list below) or Scott Rutherford at (20) 377-2812, Office of Planning, Technical Assistance, Research and Evaluation, Economic Development Administration, Room 7866, U.S. Department of Commerce, Washington, D.C. 20230.

VI. Program: National Technical Assistance Projects

(Catalog of Federal Domestic Assistance: 11.303 Economic Development—Technical Assistance)

Summary: The Economic Development Administration announces its policies and application procedures for funds available to provide technical assistance as may be required to under the National Technical Assistance Program. Funding will be provided under the authority of section 301(a) of the Public Works and Economic Development Act of 1965, as amended (PWEDA), 42 U.S.C. 3151(a).

Eligibility: Eligible applicants under this program include: public or private non-profit State, area, district, or local organizations; private individuals, partnerships, firms, corporations, and other suitable institutions (including Indian tribes and educational institutions).

Project Objective: The objective of section 301(a) technical assistance grants and cooperative agreements is to provide help that will be useful in alleviating or preventing conditions of excessive unemployment or underemployment. Grants and cooperative agreements will be made to address topical issues and problems of concern to the economic development community at large, demonstrate the effectiveness of new approaches to stimulating economic development in depressed areas, and/or disseminate information on critical economic development issues to public and private organizations and individuals engaged in development activities.

Funding Availability: Funds in the amount of $2 million are available for this program.

Funding Instrument: EDA will provide grants and cooperative agreements with EDA participation up to 75 percent of the proposed project cost, normally. Applicants will be required to provide the matching share.

Project Duration: Assistance will be for the period of time required to complete the scope of work. This will generally not exceed twelve months.

Selection Criteria: Proposals will be evaluated on the quality of the proposed work program and the qualifications of the applicant to carry out that work program.

Priority consideration will be given to projects that combine support for economic development objectives with other Department of Commerce goals, including export promotion, productivity enhancement, technology development and utilization and minority business development.

Additional selection criteria will be spelled out in the National Technical Assistance Program material which will be provided by EDA prospective applicants.

Pre-Application Procedures

A. *Letters of Interest:* Interested applicants should submit a letter signed by the head of the applicant organization or another authorized official, to EDA Headquarters stating their desire to receive funds under the National Technical Assistance Program.

Letters requesting assistance under this program should be submitted to Beverly L. Milkman, Director, Office of Planning, Technical Assistance, Research and Evaluation, Economic Development Administration, Room 7866, U.S. Department of Commerce, Washington, D.C. 20230. Letters of interest must be submitted no later than November 30, 1984. Letters postmarked after this date may not be considered.

B. *Proposals:* After receipt of such letters, EDA will provide each prospective applicant with information concerning the submission of funding proposals including the following items:

1. Secondary program goals;
2. Project selection criteria;
3. Suggested proposal format;
4. Other pre-application material; and
5. Proposal submission deadline. It is expected that the submission deadline will be no later than February 15, 1985. Proposals postmarked after the deadline indicated in the proposal package may not receive consideration.

Formal Application Procedures: EDA will evaluate proposals using the selection criteria mentioned above, before authorizing the submission of a formal application. Following a review of project proposals, EDA will invite proponents whose projects are selected for funding consideration to submit a formal application.

Applicants whose proposals are not selected will be notified within 90 days of the deadline for the submission of proposals.

EDA will evaluate applications for conformance with published statutory, regulatory and policy requirements.

Applications proposed for funding under this program involving substantial on-site work in individual States are subject to the requirements of Executive Order 12372, "Intergovernmental Review of Federal Programs."

Applicants may be subject to pre-award accounting system surveys by the Department of Commerce's Office of the Inspector General.

An applicant which has an outstanding accounts receivable with the Federal government may not receive new awards until it has paid its debt(s) or has made arrangements approved by the Department of Commerce to do so.

When all of EDA's funds for this program have been awarded, unsuccessful applicants will be notified of the status of their applications as soon as possible.

Further Information: For further information contact Richard E. Hage at (202) 377-2127 in EDA Headquarters in Washington, D.C.

VII. Program: Research and Evaluation Projects

(Catalog of Federal Domestic Assistance: 11.312 Economic Development—Technical Assistance)

Summary: The Economic Development Administration announces its policies and application procedures for funds available for research and evaluation projects under the authority of Section 301(c) of the Public Works and Economic Development Act of 1965, as amended (PWEDA), 42 U.S.C. 3151(c).

Eligibility: Eligible applicants are private individuals, partnerships, firms, corporations, and other suitable institutions.

Project Objectives: The objective of section 301(c) grants, and cooperative agreements is to:

1. Assist in determining the causes of unemployment, underemployment, underdevelopment, and chronic depression in various areas and regions of the Nation.
2. Assist in the formulation and implementation of national, State, and local programs which will raise income levels and otherwise produce solutions to the problems resulting from the above conditions.
3. Evaluate the effectiveness of approaches and techniques employed to alleviate economic distress.

Funding Availability: Funds in the amount of $2 million are available for this program.

Funding Instrument: EDA will provide grants and cooperative agreements with maximum EDA participation up to 100 percent of the proposed project cost.

Selection Criteria: EDA will consider the following factors in evaluating proposals:

1. The applicant's demonstrated knowledge of the problem proposed for investigation;
2. Quality of an applicant's workplan;
3. Qualifications of an applicant's investigators and/or evaluators;
4. The budget information submitted as part of the proposal.

Priority consideration will be given to proposals involving the following broad areas of Department of Commerce interest:

1. Regional growth;
2. Unemployment;
3. Underemployment (income levels);
4. Rural economic development;
5. Industrial location;
6. Private sector participation in economic development efforts;
7. State and local government economic development efforts;
8. Migration;
9. Export development;
10. Minority economic and business development;
11. The role of productivity and technology in economic development.

Application Procedures: Interested applicants should submit one original and two copies of brief concept proposals which should include:

1. A description of the proposed project and workplan;
2. Funding sought including budgetary data;
3. Vita; and
4. General corporate capability data.

Proposals should be submitted to David H. Geddes, Chief, Research and Evaluation Division, Office of Planning, Technical Assistance, Research and Evaluation, Economic Development Administration, Room 7850, U.S. Department of Commerce, Washington, D.C. 20230. Proposals postmarked after February 28, 1985, may not receive consideration.

Applicants whose proposals are not selected will be notified within 90 days of the February 28 submission deadline.

Applicants may be subject to pre-award accounting system surveys by the Department of Commerce's Office of the Inspector General.

An applicant which has an outstanding accounts receivable with the Federal government may not receive new awards until it has paid its debt(s) or has made arrangements approved by the Department of Commerce to do so.

Further Information: For further information contact David H. Geddes at (202) 376-4085 in EDA Headquarters in Washington, D.C.

VIII. Program: Public Works and Development Facilities Assistance

(Catalog of Federal Domestic Assistance: 11:300 Economic Development Grants and Loans for Public Works and Development Facilities. 11.304 Economic Development Public Works Impact Program (PWIP))

Summary: The Economic Development Administration announces its policies and application procedures for funds available for the Public Works program under the authority of Titles I and IV of the Public Works and Economic Development Act of 1965, as amended, (PWEDA), 42 U.S.C. 3131 and 42 U.S.C. 3171(a)(3).

Eligibility: Eligible applicants under this program are: any State, or political subdivision thereof, Indian tribe, or private or public non-profit organization or association representing any redevelopment area or part thereof, if the project is located within an EDA-designated redevelopment area. Further information on the areas which are eligible for this EDA program is available from EDA's Regional Offices.

Program Objective: The purpose of the Public Works grant program is to assist communities with the funding of public works and development facilities that contribute to the creation or retention of private sector jobs and to the alleviation of unemployment and underemployment. Such assistance is designed to help communities achieve lasting improvement by establishing stable and diversified local economies and by improving local conditions.

Funding Availability: Funds in the amount of $130 million are available for this program.

Funding Instrument: EDA will provide grants with maximum EDA participation normally ranging from 50 percent to 80 percent of the project cost according to existing regulations. Applicants will be required to provide the matching share.

Selection Criteria: For both Regular Public works projects and Public Works Impact Program (PWIP) projects, priority consideration will be given to projects which best meet the relative needs of eligible areas, and are in areas of high unemployment and/or low per capita income.

1. Regular Public Works Projects

A. *Priority* will be given to projects which are eligible under section 101(a)(1) (A)—(C) of PWEDA, 42 U.S.C. 3131(a)(1) (A)—(C), if such projects:

1. Will improve the opportunities, in the area where such project is or will be located, for the successful establishment or expansion of industrial or commercial plants or facilities;

2. Assist in creating or retaining private sector jobs in the near-term and assist in the creation of additional long-term employment opportunities for such area;

3. Benefit the long-term unemployed and members of low-income familieswho are residents of the area to be served by the project;

4. Fulfill a pressing need of the area, or part thereof, in which it is, or will be located;

5. Are consistent with the EDA approved overall economic development program (OEDP) for the area in which it is, or will be located, and have been recommended by the OEDP Committee;

6. Have broad community support;

7. Are supported by significant private sector investment;

8. Have adequate local matching funds with evidence of firm commitment;

9. Have a favorable cost per job ratio;

10. Complement Department of Commerce goals such as reducing the Federal trade deficit by increasing export development, assisting minority business development, and assisting the development of domestic fisheries.

B. *Industrial park/site projects.* Projects which will primarily serve an industrial park or site will be evaluated on such additional factors as the:

1. Occupancy rates for existing developed industrial acres currently available within a 25 mile radius of the project site (For cities with populations over 50,000, the prescribed area may be determined by an analysis of industrial sites within an established industrial area, which may be less than a 25 mile radius. Contact the Economic Development Representative for the area or the appropriate EDA Regional Office for assistance.);

2. Commitments from identified tenants to locate in the industrial park or site;

3. Plans for maximum utilization of the industrial park or site;

4. Pressing need of the area for industrial park or site space to attract potential industries; i.e., high occupancy rate of existing industrial parks within the prescribed area or lack of industrial parks or sites within the prescribed area.

C. *Low priority* will be given to projects which:

1. Do not benefit the long-term unemployed;

2. Cannot be implemented within a reasonable period of time;

3. Support downtown commercial activities such as parking garages, pedestrian walkways and non-industrial street repairs, unless it can be demonstrated that EDA's assistance is critical to and an integral part of the local economic development strategy for the area and required to support other ongoing development investments;

4. Involve substantial land purchase;

5. Involve public buildings;

6. Do not have the applicant's share of project funding readily available;

7. Support tourism or recreational activities, unless it can be demonstrated that tourism is the major industry in the area or will assist in creating a significant number of jobs and substantially diversify the area's economy, in which case the project must directly assist in providing job opportunities for the unemployed and underemployed residents of the area and otherwise support the long-term growth of the area.

II. Public Works Impact Program

A. *Priority* will be given to Public Works Impact Program (PWIP) projects eligible under section 101a(1)(D) of PWEDA, 42 U.S.C. 3131(a)(1)(D), if such projects:

1. Will directly or indirectly assist in creating employment opportunities by providing immediate useful work (i.e. construction jobs) or other economic benefits for the unemployed and underemployed residents in the project area;

2. Will primarily benefit low income families by providing essential services;

3. Have on-site labor costs as a substantial portion of the total estimated project costs;

4. Can be substantially completed within 12 months from the start of construction;

5. Improve the community or economic environment in areas of severe economic distress.

B. *Supplementary grant rates for PWIP projects* will be determined as set forth in 13 CFR 305.5(b)(3).

Pre-Application Procedures: Interested applicants should contact the Economic Development Representative for the area or the appropriate EDA Regional Office for a proposal package. The EDA Regional Office can furnish the name, address and telephone number of the Economic Development Representative for the applicant's area. EDA will screen proposals before authorizing the submission of a formal application. Proposals will be evaluated based upon:

A. The availability of funds as allocated to the Regional Offices;

B. The conformance with the selection criteria mentioned above and with statutory requriements;

C. The merits of the proposed projects in addressing the relative economic development needs of eligible areas.

Formal Application Procedures: Following a review of project proposals, EDA will invite proponents whose projects are selected for funding consideration to submit a formal application. Proponents of project proposals not selected for funding consideration will be so advised as soon as possible.

EDA will evaluate applications for conformance with published statutory, regulatory and policy requirements.

Applications proposed for funding under this program are subject to the requirements of Executive Order 12372, "Intergovernmental Review of Federal Programs."

An applicant which has an outstanding accounts receivable with the Federal Government may not receive new awards until it has paid its debt(s) or has made arrangements approved by the Department of Commerce to do so.

When all of EDA's Regular Public Works funds and PWIP funds have been awarded, unsuccessful applicants will be notified of the status of their applications as soon as possible.

Further Information: For further information contact the appropriate EDA Regional Office (see list below).

IX. Program: Economic Adjustment Assistance

(Catalog of Federal Domestic Assistance Nos.: 11.307 and 11.311 Special Economic Development and Adjustment Assistance

Program—Long-Term Economic Deterioration (LTED) and Sudden and Severe Economic Dislocation (SSED))

Summary: The Economic Development Administration announces its policies and application procedures for grants available under its Economic Adjustment Program. This program authorized under Title IX of the Public Works and Economic Development Act of 1965, as amended, (PWEDA), 42 U.S.C. 3241-3245, may assist areas experiencing long-term economic deterioration (LTED) and areas threatened or impacted by sudden and severe economic dislocation (SSED).

Program Objective: The LTED program assists eligible applicants in implementing strategies that halt and reverse the long-term decline of their economies. Grants for Revolving Loan Funds (RLF) are usually provided under the LTED program.

The SSED program assists eligible applicants in responding to actual or threatened major job losses (dislocations) and other severe economic adjustment problems. It is designed to assist communities to prevent a sudden, major job loss, to reestablish employment opportunities as quickly as possible after one occurs, or to meet special needs resulting from severe changes in economic conditions. SSED assistance is intended to respond to stuctural rather than cyclical job losses. Thus, the dislocation must involve a permanent job loss. Assistance may be in the form of either a Strategy Grant or an Implementation Grant.

Fund Availability: Grant funds in the amount of $33 million are available for the Economic Adjustment program in FY 1985. Not less than $16.5 million shall be available for Revolving Loan Fund (RLF) projects.

Funding Instrument: EDA will normally provide grants with maximum EDA participation of 75 percent of the project cost. Applicants will be required to provide the matching share.

Eligibile Applicants: Eligible applicants for areas meeting the eligibility criteria described below include: a redevelopment area or economic development district established under Title IV of this Act, (PWEDA), 42 U.S.C. 3161, an Indian tribe, a State, a city or other political subdivision of a State, or a consortium of such political subdivisions, a Community Development Corporation defined in the Community Economic Development Act, 42 U.S.C. 9801, a nonprofit organization determined by EDA to be the representative of a redevelopment area.

Eligibile Areas: In order to receive priority consideration for funding under the LTED program, an area must be experiencing at least one of three economic problems: very high unemployment; low per capita income; or chronic distress—failure to keep pace with national economic growth trends over the last five years. Eligibility is determined statistically. Further information is available from EDA's Regional Offices.

In order to receive priority consideration for funding under the SSED program, an area must show actual or threatened permanent job losses that exceed the following threshold criteria, unless otherwise determined by the Assistant Secretary:

1. For areas not in Standard Metropolitan Statistical Areas:

a. If the unemployment rate of the Labor Market Area exceeds the national average, the dislocation must amount to the lesser of 2 percent of the employed population, or 500 direct jobs.

b. If the unemployment rate of the Labor Market Area is equal to or less than the national average, the dislocation must amount to the lesser of 4 percent of the employed population, or 1,000 direct jobs.

2. For areas within Standard Metropolitan Statistical Areas:

a. If the unemployment rate of the Standard Metropolitan Statistical Area exceeds the national average, the dislocation must amount to the lesser of .1 percent of the employed population, or 4,000 direct jobs.

b. If the unemployment rate of the Standard Metropolitan Statistical Area is equal to or less than the national average, the dislocation must amount to the lesser of .5 percent of the employed population, or 8,000 direct jobs.

Additionally, 50 percent of the job loss must result from the action of a single employer, *or* 80 percent of the job loss must occur in a single industry classification (i.e., two digit SIC code).

In the case of a Presidentially declared natural disaster, the area eligibility criteria are waived. In other similarly exceptional circumstances, the criteria may be partially waived at the discretion of the Assistant Secretary.

Actual dislocations must have occurred within one year and threatened dislocations must be anticipated to occur within two years of the date EDA is contacted.

Economic Adjustment proposals will be assessed according to the evaluation criteria listed below.

Evaluation Criteria: Proposals will be evaluated based on conformance with statutory and regulatory requirements, the economic adjustment needs of the area, the merits of the proposed project in addressing those needs and the applicant's ability to manage the grant effectively.

Key factors in EDA's selection of proposed LTED/RLF projects include:

1. *Economic and Financial Needs of the Project Area:*

a. Areas with the highest levels of economic distress (high unemployment, low per capita income, vacant plants and deteriorating infrastructure, etc.) will receive priority consideration.

b. Financial need will be evaluated based on the applicant's analysis of the local capital market and how clearly this analysis defines the financial problems to be addressed by the RLF project.

2. *Osbjectives and Bernefits of Proposed Projects:* Priority will be given to projects which can:

a. Stimulate private sector employment. The number and types of jobs to be created/retained will be key factors in project selection along with the job/cost ratio established for the RLF portfolio as a whole;

b. Target assistance to specific needs within the area. RLF assistance may be targeted to specific geographic areas, industries, types of employers, types of workers, sizes of firms or in other ways that maximize the impact of RLF resources on area needs;

c. Leverage higher ratios of private investment than the required minimum ratio of two private dollars to one RLF dollar. (NOTE: the local share or other funds used by the RLF to finance loans can not be counted as "leveraged" dollars);

d. Direct new job opportunities to the long-term unemployed and underemployed;

e. Assist minorities, women and members of other economically disadvantaged groups in obtaining RLF loans;

f. Support the goals of state and local economic developments plans for the area, including the OEDP and the Title IX adjustment strategy, as appropriate;

g. Support other ongoing or future development investments, particularly other elements of the Title IX adjustment strategy;

h. Provide technical and management assistance for RLF borrowers, in addition to loan funds;

i. Use creative financing techniques to overcome specific gaps in the local capital market;

j. Make loans on a timely basis. the implementation schedule for RLF projects will normally require that RLF loans in the initial round be closed (and all EDA funds disbursed) within 2 years of grant approval;

k. Include a large matching share than the required 25 percent or secure commitments for future funding from other public or private sources; and

l. Coordinate activities with other economic development organizations, loan programs and private lenders in the area.

3. *Effective Management of the RLF:* EDA will also evauate proposed projects to determine that the RLF will be properly managed. Key factors include:

a. A strong and effective Loan Administrative Board with borad community representation, including appropriate private sector, minority and women's representation.

b. Staff capacity in program and policy development, finance, law, marketing, credit analysis, loan packaging, processing and servicing.

c. Efficient procedures for loan selection, approval, and servicing which emphasize the economic development potential of loans as well as sound management and financing practices.

d. Adequate resources to cover administrative costs of the RLF.

e. The applicant's experience and capacity for administering economic and business loan programs will also be a major factor in project selection. If the applicant has designated another organizaiton to administer the project, EDA will evauate the experience and capacity of that organization, rather than the applicant's.

Nongovernment (but not including EDD's) applicants must be sponsored by the local or State government having jurisdiction over the project area and the sponsor must be willing to assume responsibility for operating the RLF should the nongovernment entity no longer be able to administer the project.

Key factors in EDA's selection of proposed SSED projects include:

1. The severity of the dislocation as measured by, but not limited to, the following factors:

a. The degree to which the number of dislocated workers exceeds the eligibility threshold;

b. The proportion of the total job loss represented by a single employer; and

c. The proportion of employment in a single industry classification represented by the firm(s) closing.

2. The objectives and benefits of proposed activities as measured by the extent to which:

a. *For Implementation Grants:*

(1) Job creation or retention in the near term is emphasized versus more long-term, general economic development;

(2) The jobs to be created and/or retained are permanent and will directly benefit the dislocated workers;

(3) The response to the problem is timely;

(4) EDA assistance will be complemented by, or will complement, appropriate State and local efforts, for example, training and job placement services, other Federal investments, for example, Urban Development Action Grants, and private sector support;

(5) Creativity is exhibited in using the range of available Title IX program tools;

(6) The cost per job created or retained is minimized;

(7) In the case of a Revolving Loan Fund, the recycled loan proceeds generate economic development benefit; and

(8) The local matching share exceeds the required 25 percent.

b. *For Strategy Grants:*

(1) Applicant has demonstrated the capacity to manage the planning process and subsequent implementation activities;

(2) Proposed scope of work is responsive to the problem;

(3) The focus of the planning effort is on the generation of practical and implementable solutions; and

(4) The local matching share exceeds the required 25 percent.

Pre-Application Procedures: Interested applicants should contact the Economic Development Representative for the area or the appropriate EDA Regional Office for a proposal package. The EDAs Regional Office can furnish the name, address and telephone number of the Economic Development Representative for the applicant's area.

Project proposals, submitted by eligible applicants, will be evaluated by EDA on the basis of:

• Conformance with the evaluation criteria mentioned above and statutory and policy requiremnts; and

• The availability of funds.

Formal Application Procedures: Following a review of project proposals, EDA will invite proponents whose projects are selected for funding consideration to submit a formal application. Proponents whose project proposals are not selected for funding consideration will be so advised as soon as possible.

EDA will evaluate applications for conformance with published statutory, regulatory and policy requirements.

Applications proposed for funding under this program are subject to the requirements of Executive Order 12372, "Intergovernmental Review of Federal Programs".

An applicant with an outstanding accounts receivable with the Federal government may not receive a further award until the debt(s) have been paid or arrangements to do so have been approved by the Department of Commerce.

When all of EDA's funds for the SSED and LTED programs have been awarded, unsuccessful applicants will be notified of the status of their applications as soon as possible.

Further Information: For further information about this program, contact the appropriate EDA Regional Office or Paul J. Dempsey, Director, Office of Economic Adjustment, Economic Development Administration, Room 7217, U.S. Department of Commerce, Washington, D.C. 20230, telephone (202) 377-2659.

EDA Regional Offices: The EDA Regional Offices and the States they cover are:

• Philadelphia Regional Office, 4th Floor, Mall Building, 325 Chestnut Street, Philadelphia, Pennsylvania 19106, Telephone: (215) 597-4603; serving Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, Virginia, Virgin Islands, and West Virginia.

• Atlanta Regional Office, Suite 750, 1365 Peachtree Street, N.E., Atlanta, Georgia 30309, Telephone: (404) 881-7401; serving Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee.

• Chicago Regional Office, Suite A-1630, 175 W. Jackson Blvd., Chicago, Illinois 60604, Telephone: (312) 353-7707;

serving Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.

- Austin Regional Office, Suite 201, Grant Bldg., 611 East Sixth Street, Austin, Texas 78701, Telephone: (512) 482–5461; serving Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.
- Denver Regional Office, Room 300, Tremont Center, 333 West Colfax Avenue, Denver, Colorado 80204, Telephone: (303) 844–4714, serving Colorado, Iowa, Kansas, Missouri, Montana, Nebraska, North Dakota, South Dakota, Utah, and Wyoming.
- Seattle Regional Office, Suite 500, Lake Union Bldg., 1700 Westlake Avenue, North, Seattle, Washington 98109, Telephone: (206) 442–5096; serving Alaska, American Samoa, Arizona, California, Guam, Hawaii, Idaho, Nevada, Oregon, and Washington.

Dated: September 28, 1984.

J. Bonnie Newman,

Assistant Secretary for Economic Development.

[FR Doc. 84-26595 Filed 10-5-84; 8:45 am]

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Tuesday
October 9, 1984

Part III

Department of Transportation

Federal Aviation Administration

14 CFR Part 21

Market Survey Experimental Certificates for Aircraft Modifiers; Final Rule

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 21

[Docket No. 23544; Amdt. No. 21-57]

Market Survey Experimental Certificates for Aircraft Modifiers

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment permits aircraft modifiers who are neither aircraft nor aircraft engine manufacturers to apply for an experimental certificate to use the modified aircraft for market surveys, sales demonstrations, or customer crew training in the same manner as aircraft and aircraft engine manufacturers. In recent years type-certificated aircraft have been altered by a variety of modifications other than installation of different engines. Aircraft and aircraft engine manufacturers are eligible for experimental certificates to conduct market survey flights of their modifications. This amendment permits other aircraft modifiers to conduct such flights using an experimental certificate without obtaining an exemption for this purpose.

EFFECTIVE DATE: November 8, 1984.

FOR FURTHER INFORMATION CONTACT: Alphonse G. Santarelli, Aircraft Manufacturing Division (AWS-200), Office of Airworthiness, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, D.C. 20591, telephone (202) 426-8361.

SUPPLEMENTARY INFORMATION:

Background

This amendment, which permits aircraft modifiers who are neither aircraft nor aircraft engine manufacturers to apply for an experimental certificate to use the modified aircraft for market surveys, sales demonstrations, or customer crew training in the same manner as aircraft and aircraft engine manufacturers, is adopted for essentially the reasons outlined in Notice of Proposed Rulemaking (NPRM) No. 84-1 (49 FR 6468; February 21, 1984). That action responded to the Raisbeck-Western petition to amend § 21.195(a) to permit aircraft modifiers to use those aircraft for market survey purposes in the same manner as aircraft manufacturers.

Section 21.195(a) of the Federal Aviation Regulations (FAR) states that a manufacturer of aircraft manufactured within the United States may apply for an experimental certificate for an aircraft that is to be used for market surveys, sales demonstrations, or customer crew training. Section 21.195(b) of the FAR states that a manufacturer of aircraft engines who has altered a type-certificated aircraft by installing different engines, manufactured by him within the United States, may apply for an experimental certificate for that aircraft to be used for market surveys, sales demonstrations, or customer crew training if the basic aircraft, before alteration, was type certificated in the normal, acrobatic, or transport category. For the purpose of this amendment, an aircraft modifier is a person who has altered the design of an aircraft that before alteration was type certificated in the normal, acrobatic, or transport category.

In recent years, type-certificated aircraft have been altered by a variety of modifications other than installation of different engines. The above sections do not permit a "non-engine" aircraft modifier to apply for an experimental certificate to use an aircraft altered by him for market surveys, sales demonstrations, or customer crew training. A number of aircraft modifiers have been granted exemptions from either § 21.195 (a) or (b) to the extent necessary to permit those aircraft modifiers to apply for experimental certificates for aircraft to be used for market surveys, sales demonstrations, or customer crew training, subject to certain limitations.

In view of the foregoing, the Federal Aviation Administration (FAA) has determined that it is in the public interest to permit aircraft modifiers to apply for an experimental certificate to use the modified aircraft for market survey purposes.

This amendment also adds a cross-reference provision to § 21.191(f) to more clearly show the interrelationship between this paragraph and § 21.195. Also, the utility category is added to § 21.195(c) since the utility category is one of the standard categories listed in §§ 21.21 and 21.183 and was inadvertently omitted previously. These are considered to be editorial changes.

Discussion of Comments

Seven commenters, representing the views of associations, individuals, and modifiers, submitted responses to NPRM 84-1. The responses are favorable.

Five commenters concur with the NPRM. One commenter, a pilot association, has no comment on the NPRM at this time. Another commenter, an airline association, advises that 14 members replied: 6 members concur with the NPRM, 6 members have no objection, and 2 members have no comment.

Regulatory Evaluation

Benefits

Adopting this rule will relieve an unnecessary regulatory constraint and would thus provide benefits to certain aircraft modifiers. It will allow them to be eligible to apply for experimental certificates under Part 21 to test the market potential of modified aircraft before mass producing the modification kits, to demonstrate the modified aircraft to potential customers, and to conduct customer crew training.

In addition, a number of aircraft modifiers have been granted exemptions in the past to allow them to apply for experimental certificates for market survey. This rule will eliminate the need for an aircraft modifier to obtain an exemption from the requirements of Part 21 to apply for an experimental certificate to allow the modifier's aircraft to be used for market surveys, sales demonstrations, or customer crew training in the same manner as an aircraft or aircraft engine manufacturer. By obviating the need for an exemption, this rule will eliminate the minor cost required to develop and submit a petition for exemption and avoid the minor costs related to time lost while the aircraft modifier awaits the exemption. Additionally, the Federal Government (FAA) will experience minimal cost savings as the requirement to review and process petitions for exemptions submitted by aircraft modifiers to apply for experimental certificates is eliminated.

Costs

This rule will impose no new costs or requirements on aircraft modifiers, the aviation public, or the Federal Government. This rule will permit aircraft modifiers to submit applications for experimental certificates for market surveys which the FAA will process consistent with practices under § 21.195 (a) and (b).

Comments Received on Notice of Proposed Rulemaking

Seven commenters, representing the views of associations, individuals and modifiers, submitted responses to the NPRM. Four commenters provided statements with regard to the economic considerations, with all endorsing the proposed rule as having a positive economic impact.

Benefit/Cost Conclusion

Based on the aforementioned discussion of the benefit and cost aspects of the rule, the benefits clearly exceed the costs.

International Trade Impact Analysis

This rule will have little or no impact on trade for both U.S. firms doing business in foreign countries and foreign firms doing business in the United States. Furthermore, no comments were received on the topic of international trade impacts.

Regulatory Flexibility Act Determination

The Regulatory Flexibility Act of 1980 (RFA) was enacted by Congress to ensure, among other things, that small entities are not disproportionately affected by Government regulations. The RFA requires agencies to review rules which may have a "significant economic impact on a substantial number of small entities." Certain aircraft modifiers may be classified as small entities according to the RFA. However, since this proposed rule would result in minimal savings and would not impose additional cost, it will not have a significant economic impact on any of these entities.

Therefore, FAA has determined that the amendment will not, if enacted, have a significant economic impact on a substantial number of small entities.

Conclusion

This amendment provides compatibility with other paragraphs in § 21.195 to enable a modifier of aircraft to obtain an experimental certificate for a modified aircraft in the same manner as an aircraft or engine manufacturer. Furthermore, this amendment is not likely to result in an annual effect on the economy of $100 million or more or a major increase in costs for consumers; industry; or Federal, State, or local government agencies. In addition, this amendment will have little or no impact on trade opportunities for U.S. firms doing business overseas or for foreign firms doing business in the United States. Accordingly, it has been determined that this is not a major regulation under Executive Order 12291. In addition, the FAA has determined that this action is nonsignificant under Department of Transportation Regulatory Policy and Procedures (44 FR 11034; February 26, 1979). Finally, as discussed previously in the preamble, it is certified under the criteria of the Regulatory Flexibility Act that this rule will not have a significant economic impact on a substantial number of small entities. A copy of the regulatory evaluation for this action is contained in the regulatory docket. A copy of it may be obtained by contacting the person identified under the caption "FOR FURTHER INFORMATION CONTACT."

List of Subjects in 14 CFR Part 21

Air transportation, Aircraft, Aviation safety, Safety.

Adoption of the Amendment

Accordingly, Part 21 of the Federal Aviation Administration Regulations (14 CFR Part 21) is amended as follows, effective November 8, 1984:

PART 21—CERTIFICATION PROCEDURES FOR PRODUCTS AND PARTS

1. By amending § 21.191 by revising paragraph (f) to read as follows:

§ 21.191 Experimental certificates.

* * * * *

(f) *Market surveys.* Use of aircraft for purposes of conducting market surveys, sales demonstrations, and customer crew training only as provided in § 21.195.

* * * * *

2. By amending § 21.195 by redesignating present paragraph (c) as (d) and by adding a new paragraph (c) as follows:

§ 21.195 Experimental certificates: Aircraft to be used for market surveys, sales demonstrations, and customer crew training.

* * * * *

(c) A person who has altered the design of a type certificated aircraft may apply for an experimental certificate for the altered aircraft to be used for market surveys, sales demonstrations, or customer crew training if the basic aircraft, before alteration, was type certificated in the normal, utility, acrobatic, or transport category.

* * * * *

(Secs. 313, 314, 601, 603(c), 605, 608, 609, and 610, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354, 1355, 1421, 1423(c), 1425, 1428, 1429, and 1430); 49 U.S.C. 106(g) (Revised, Pub. L. 97–449, January 21, 1983)

Issued in Washington, D.C., on September 10, 1984.

Donald D. Engen,

Administrator.

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